

The Town of Centreville

CENTREVILLE TOWN COUNCIL

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FOR IMMEDIATE RELEASE

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Developer files suit against the Town of Centreville

CENTREVILLE, MD-December 14, 2004 - The Town of Centreville has received notice that it is being sued by North Brook Farms I, LLC and North Brook Farms II, LLC. The suit, filed December 10, 2004 in the Circuit Court for Queen Anne's County, alleges the Town breached the Public Works Agreement (PWA) between the Town and North Brook. The action seeks a temporary restraining order to prevent the Town from providing any sewer allocations to any residential, commercial or other project as may be provided for under the Capacity Management Plan developed by the Town and the related interim relief recently approved by the Maryland Department of the Environment (MDE). The filing further asks for a hearing to determine if the agreement between the Town and North Brook has been violated and to decide what relief, if any, should be provided to the developer. Other decisions sought include relief from fees that may otherwise be due the Town until such time as sewer allocations are provided, as well as judgments for damages of over \$10 million.

The PWA is an agreement between the developer and the Town where the developer agrees to provide certain improvements to the Town's water and wastewater infrastructure in exchange for the Town providing water and sewer capacity for the project. The agreement with North Brook, signed November 21, 2002, provides for an upgrade to the Town's North Pump Station, the installation of a new well and arsenic treatment facility, as well as upgrading the sewer line which transfers sewage from the development to the Town's new treatment plant. The agreement establishes a schedule and rates for the developer to pay water and sewer allocations which further support improvements to the Town's water and wastewater system. The suit alleges the Town has failed to provide water and sewer allocations as provided for in the 2002 PWA.

In addition to the PWA with North Brook, the Town of Centreville has similar agreements with developers of Symphony Village and Providence Farms. Each agree that the Town will provide water and sewer connections in exchange for infrastructure improvement, either directly or by payment.

Under a consent order issued by MDE, the Town of Centreville developed and submitted a Capacity Management Plan, prescribing the allocation of available water and sewer capacity over the next two years. The plan, currently under review by MDE, seeks to balance the needs of the commercial, residential and institutional uses. Although the Town sought equity in distributing short term sewer capacity in the Plan, the suit complains that North Brook has been denied the immediate availability of the 343 allocations required for full build out of their subdivision.

The Town maintains they have made a good faith effort to meet the needs of multiple stakeholders. The process to develop the Capacity Management Plan sought to provide a short term solution for the immediate needs of the developers, while also addressing commercial development, and new houses for existing properties in Town. The plan is consistent with the Town code and charter to which the PWA is subject. The Plan also provides for invaluable community projects such as the new home for Hospice of Queen Anne's County and the Rotary House, a residential facility for abused families. Plans for all projects may be delayed as a result of the suit.

The Town is currently in the process of exploring additional land for spray irrigation for its wastewater treatment facility. Additional spray field capacity is a key step in providing the long term needs for the Town's wastewater disposal. The Town Council is interested in acquiring a parcel that will provide for the immediate and long term needs of the Town. The Capacity Management Plan is intended to address short term needs while longer term requirements are to be provided for in the process to secure and permit additional land.

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